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ORGANIZATION AND DEVELOPMENT OF THE CENTRAL INTELLIGENCE AGENCY

Presented at the

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Quarry Heights, Canal Zone

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Speaker:

[Redacted]

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SECRETCOMPLIMENTARY OPENING

Gentlemen:

The Director of Central Intelligence, Rear Admiral Roscoe H. Hillenkoetter, has asked me to express his thanks for the invitation to have representation here and to extend his best wishes for a successful conference. He has also directed me to tell you what I can of the organization and development of the Central Intelligence Agency in the short time allotted to me.

Tomorrow, the concept of central intelligence will have been in practical application two years. As some of you may recall, a representative of the Central Intelligence Group, as our organization was then called, gave a presentation upon the organization and functions of CIG at the first Latin American conference, and reported its accomplishment up to that time. During the past year, substantial development of central intelligence has occurred. I should like to explain this growth and development after first giving briefly some background information to provide continuity to my remarks.

BACKGROUND OF THE CIG

The opening of the second World War found the American intelligence services in an impoverished state and almost wholly dependent upon our allies for the intelligence required to conduct global war. Before the end of hostilities our original disability had been largely corrected, but only at the cost of building up large separate departmental intelligence agencies and a special Office of Strategic Services, with overlapping missions and functions. Serious efforts to avoid this condition were made by forming various joint committees and taking important steps in the coordinating of intelligence policy, but there was no machinery by which such measures could be completely carried out, and none could be evolved during the war period. As a result, the intelligence services emerged from the war unanimous in the opinion that intelligence should be conducted under an over-all coordination that would provide for all contingencies of national security. It was this conviction, strongly supported by

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the President and other responsible officials of the government, that brought into being the Central Intelligence Group, and marked a turning point in many years of traditional American policy.

THE CIG

The various plans for a central organization with a strong coordinating authority, which were submitted by the major intelligence agencies, eventually resulted in a compromise plan which was issued by President Truman as an Executive Directive dated 22 January 1946. This Directive established a National Intelligence Authority, consisting of four voting members - the Secretaries of State, War, and Navy and the President's personal representative, which was charged by the President with planning, developing and coordinating all Federal foreign intelligence activities so as to provide for the accomplishment of the intelligence mission related to national defense.

The President's Directive also provided for an implementing organization entitled "The Central Intelligence Group" with a director who was authorized and directed to act for the NIA in coordinating the Federal foreign intelligence activities so as to insure that the over-all policies and objectives established by this authority were properly implemented and executed. To assist and advise the Director of Central Intelligence in the discharge of his mission, an Intelligence Advisory Board was established, consisting of the heads of the intelligence agencies of the State, War, and Navy Departments and of the Army Air Forces.

THE NATIONAL SECURITY ACT OF 1947 AND THE CIA

This structure for central intelligence existed until recently by virtue of the executive authority of the President. The need for its permanent legal establishment was well recognized, and the Congress therefore acted to provide for central intelligence in the National Security Act of 1947. Title I of the Act covered central intelligence and the provisions thereof became operative on 26 September 1947 when Rear Admiral Hillenkoetter was sworn in and took office as the current Director of Central Intelligence.

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PROVISIONS OF THE NATIONAL SECURITY ACT

The effect of this legislation, so far as national intelligence is concerned, was chiefly to establish formally in law, the program of national intelligence initiated by the President in his Executive Directive. Generally speaking, the functions of the Central Intelligence Group were charged to its legal successor, the Central Intelligence Agency. However, instead of functioning under the NIA, which under the Act ceased to exist, the Central Intelligence Agency now operates directly under the National Security Council, which was established to advise the President in the whole field of national security.

I am sure that you were all generally acquainted with the organization of the CIG, and I shall therefore devote little time to its counterpart in CIA. It may be profitable, however, to cover very briefly the salient features of the organization.

ORGANIZATION AND FUNCTIONS OF THE CIA

As prescribed by law, the Central Intelligence Agency discharges two basic responsibilities: (1) it coordinates all aspects of foreign intelligence affecting the security of the United States, and (2) it performs certain intelligence operations which can best be performed centrally. The principal coordinating responsibilities are the following:

- (a) Coordination of intelligence policies and intelligence activities of the Government;
- (b) Over-all coordination of collection and dissemination, and the dissemination of national intelligence;
- (c) Over-all coordination of intelligence research, and the production of national intelligence.

The common operations are several and of a miscellaneous character.

It was early established as a principle of Central Intelligence that coordinating and operating functions should be carried out separately. The organization of CIA with minor exceptions observes this principle by maintaining a separate office for the major functions in each category. General planning

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of over-all coordination of departmental activities and the determining of recommendations to be presented to the National Security Council are accomplished in a special staff called the Interdepartmental Coordinating and Planning Staff which has as its members representatives of the Departments on detail to CIA. Otherwise the major coordinating functions that I just named reside in two coordinating offices: the Office of Collection and Dissemination and the Office of Reports and Estimates.

Activities of an operational nature, as differentiated from staff and coordinating functions, are conducted by two principal operational offices. These are the Office of Special Operations and the Office of Operations. The former conducts for CIA and in behalf of the appropriate Federal intelligence agencies all secret intelligence. These operations will not be discussed

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FIRST EFFECTS OF THE NS ACT - NEW DIRECTIVES

I have indicated that the National Security Act did not materially modify the principles of central intelligence enunciated by the President's letter nor make any substantial change in the coordinating agency. The Act did, however, significantly enlarge and emphasize the role of intelligence in the national security by placing the Central Intelligence Agency directly under the National Security Council. The immediate effect of this change in circumstances was to bring about a complete reexamination of the objectives and policies set for central intelligence by the National Intelligence Authority. In assuming direction of national intelligence, the NSC was obliged to continue the old NIA directives in effect or supplant them with directives of its own devising. The Council acted to maintain the NIA directives in force temporarily as an interim measure but employed the situation to accomplish an appraisal of the whole field of national intelligence by directing that a

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new series based upon the provisions of the National Security Act and the experience of the NIA be drawn up for issuance as NSC directives. The resultant new directives bring up-to-date all of the instructions of the NIA and in general considerably strengthen the coordinating position of the CIA.

CONTINUANCE OF COORDINATION OF COLLECTION ACTIVITIES ABROAD

The directives with which field personnel are most familiar are the NIA Directive No. 7 on "Coordination of Collection Activities Abroad" and its implementing CIG Directive No. 18. Their revision retains the original principles of allocation of basic departmental responsibilities in the field of overt collection, of the field coordinator, and of certain measures for co-operation and coordination in the field. It is to be expected that these will be reannounced in the implementing directives of your respective agencies.

The National Security Council is designed to act in a much broader field than the National Intelligence Authority. It is therefore expected that the coordination of national intelligence will benefit accordingly and that the improvements made in the old NIA directives will be followed by other important developments. That of course lies in the future. Central intelligence has made important progress in the past which may be mentioned because it has resulted in an increase of operations and activities benefiting the departmental agencies as well as national intelligence as a whole.

DEVELOPMENT OF COORDINATING FUNCTIONS - OCD

This development is illustrated in both the coordinating and operating functions of the CIA. With respect to the former, it has been particularly apparent in the degree that coordinating activities have expanded. For example, at this time last year the Office of Collection and Dissemination was handling approximately 50 requests for information per month. This figure rose rapidly during the year as personnel and facilities increased, so that now requests of all kinds average 300 per month. Dissemination activities kept pace with the

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increase in requests. CIA Reading Center is now processing over 20,000 incoming items a month, not counting multiple copies and about 3,500 outgoing items.

DEVELOPMENT OF COORDINATING FUNCTIONS - ORE

The figures I have just quoted are a measure of the expansion of the coordinating activities under the Office of Collection and Dissemination. The Office of Reports and Estimates, the other principal coordinating office, has likewise experienced substantial growth in its field. It has, for instance, in the last year reached a high level of productivity in national intelligence in the form of daily and weekly summaries and special evaluations and studies. It has also assumed the responsibility for the coordination and production of the basic intelligence formerly included in the joint Army-Navy intelligence studies, or JANIS, and in the War Department's Strategic Intelligence Digest. In addition, it has very recently taken over the Map Intelligence Branch of the Department of State and will develop this activity for the use and benefit of all agencies.

ATOMIC ENERGY RELATIONSHIP

It might also be pertinent at this point to mention an important new coordinating authority accepted by CIA with respect to atomic energy. CIA now acts for the Atomic Energy Commission to see that all departmental collection resources are made available to it and that dissemination of atomic energy information is properly screened and controlled in accordance with the dissemination policies of the Commission. This relationship, now in its early stages, will grow and improve with experience.

DEVELOPMENT OF OPERATING FUNCTIONS

These examples of the increase and development of CIA coordinating functions demonstrate that the Central Intelligence Agency has been able during 1947 to extend the benefit of its coordinating processes to all of the departments with major intelligence responsibilities and in addition to many Federal agencies with secondary intelligence interests. For operational reasons,

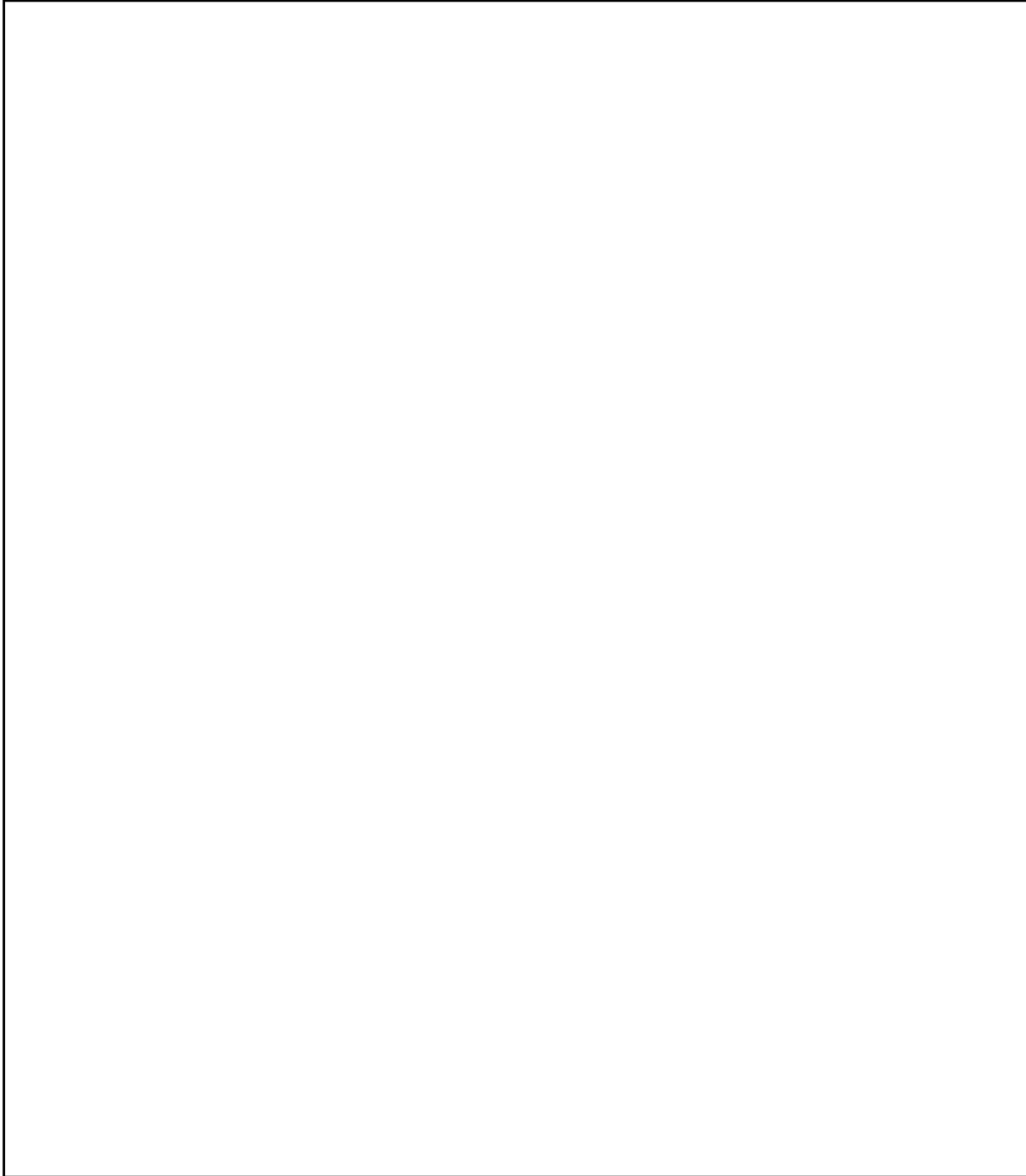
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however, the so-called common services performed by CIA are of importance to the intelligence departments and any increase or expansion of these services is of special interest. I shall refer to a few developments of this nature.

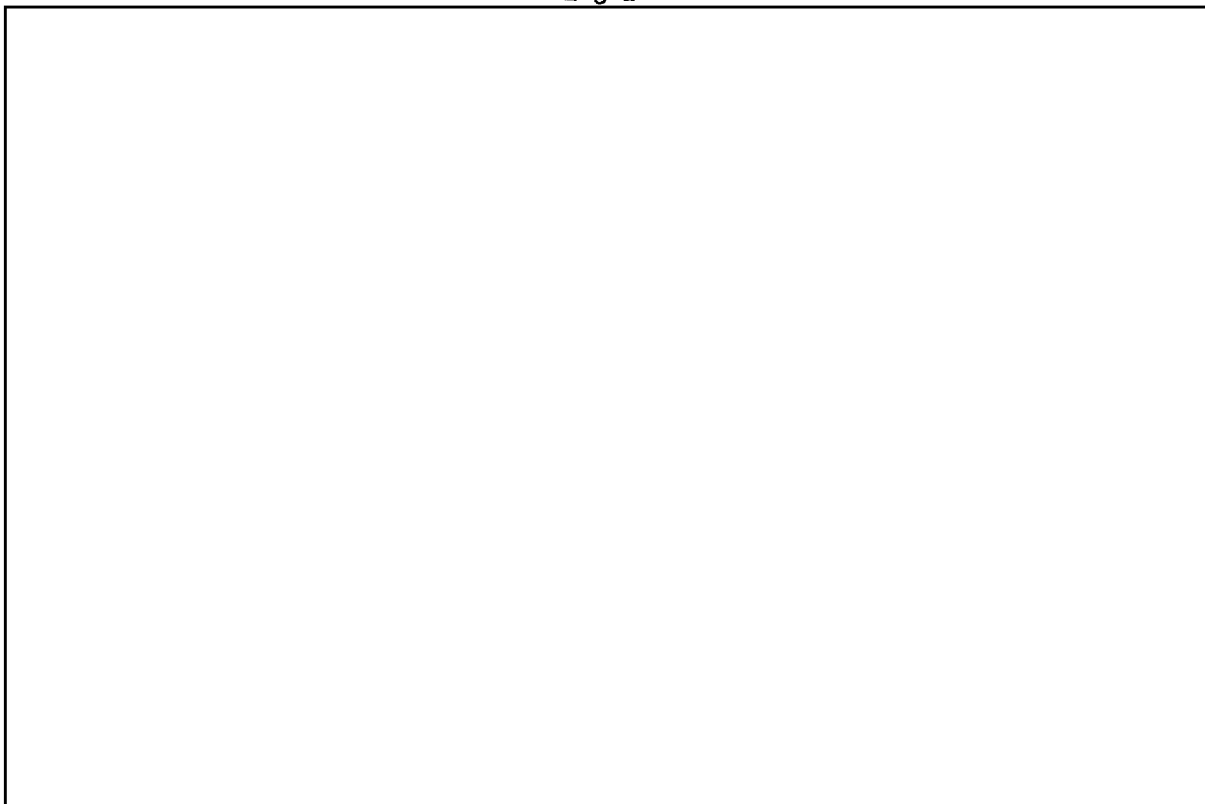
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DEVELOPMENT OF LIBRARY FUNCTIONS - REFERENCE CENTER

There has been developed during the past year of one other activity which I think will be of interest to you. I refer to the establishment of the CIA Reference Center. This Reference Center is designed to furnish a centralized reference service to CIA and to the other agencies. Its most important service will be the maintaining of a Central Index of all foreign intelligence documents, regardless of physical location. When fully functioning, this service will not only provide an important reference adjunct to the intelligence agencies, but will also be the key to eliminating much duplication in requests. The Reference Center is also establishing the following:

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(b) A Foreign Industrial Register providing an index of foreign industrial installations, developments and resources, and for international and functional relationships;

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(c) A Graphic Materials Division which will furnish an index of location and type of graphic material of foreign intelligence interest available to the Government;

(d) An Intelligence Documents Library which will be the depository of all standard reference books and all intelligence documents permanently filed in the CIA.

The Reference Center will make the maximum use of machine techniques in all of its processes and has already received several machines designed especially for its use. These give evidence that many obstacles to indexing and filing on the scale required for national intelligence purposes will be overcome.

CONCLUSION

In the time allotted to me I have attempted to depict in a general way the organization of the CIA and to describe its growth since the last conference. Within this brief period it has undergone a most significant change by being confirmed in law and assigned a vital role under the National Security Council. It has, at the same time, experienced development making it an effective instrument in its field of the national security. It has not, however, been able to attain all of the goals set for ultimate accomplishment, and much of its progress has admittedly been by process of trial and error. All of its advances have been made possible by the advice and assistance of the departmental agencies. With this continued assistance, the Central Intelligence Agency is confident of continuing its present rate of progress towards perfecting the truly national intelligence service required for present times and conditions.

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ORGANIZATION AND DEVELOPMENT OF THE CENTRAL INTELLIGENCE AGENCY

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I. Introduction

- A. Thanks of DCI for invitation to have representation and wishes for successful conference.
- B. Central intelligence two years old.
 - 1. First year one of beginnings. Reported at first LA conference.
 - 2. Second year one of development and growth. Will be covered in this conference.

II. Background of the CIA

- A. Central intelligence concept derived from experience of War II.
 - 1. American intelligence services not prepared; dependent upon allies.
 - 2. Wartime set-up generally effective when under way but not fully coordinated.
 - a. Joint agencies
 - b. OSS
- B. Creation of CIG
 - 1. Plans submitted by several agencies.
 - 2. Plans implemented by Presidential letter of 22 January 1947.
 - a. Created National Intelligence Authority.
 - b. Set up implementing organization of "Central Intelligence Group."
 - c. DCI appointed to head CIG and act for NIA.
 - 3. Intelligence Advisory Board set up to advise DCI, consisted of heads of intelligence divisions of the departments and of the AAF.

III. Central Intelligence Agency

- A. Need recognized by congress for permanent national intelligence organization, and included in National Security Act of 1947.
 - 1. Title I of Act covers central intelligence. Effective on 26 September 1947 when Admiral Hillenkoetter was sworn in.

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B. Provisions of Act

1. Effect of Act is chiefly to establish in the program of national intelligence stated by Executive Directive of 22 January 1946.
2. Functions of CIG charged to legal successor - the Central Intelligence Agency.
3. CIA, however, functions directly under the National Security Council; NIA ceased to exist.

C. Responsibilities and Functions of CIA

1. CIA by law discharges two functions:
 - a. Coordinates all aspects of foreign intelligence
 - b. Performs certain intelligence operations which can best be performed centrally.
2. Principal coordinating functions:
 - a. Coordination of intelligence policies and intelligence activities of the Government.
 - b. Over-all coordination of collection and dissemination, and the dissemination of national intelligence.
 - c. Over-all coordination of intelligence research, and the production of national intelligence.
3. Common services are several and of a miscellaneous nature.

D. Organization of CIA

1. Predicated on theory that coordinating offices do not operate and vice versa.
2. Principal coordinating offices:
 - a. Inter-Departmental Planning and Coordinating Staff
 - b. Office of Collection and Dissemination
 - c. Office of Reports and Estimates
3. Principal Operating Offices:
 - a. Office of Special Operations
 - b. Office of Operations

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IV. Effects of the National Security Act of 1947

- A. Act did not basically change principles of central intelligence but did significantly enlarge and emphasize role in national security by placing CIA directly under NSC.
- B. First effect of direction of NSC has been reexamination of principles and objectives set for central intelligence by NIA through drafting of new NSC directives. These directives bring up to date instructions of NIA.
- C. New directives in general considerably strengthen coordinating position of CIA.
 - 1. Field representatives are familiar with NIA No. 7 on "Coordination of Collection Activities Abroad," and its implementing CIG Directive No. 18. Revision of directives retains original principles of old directives.

V. Development of CIA

A. Development of functions.

- 1. Is seen in both coordinating and operational activities.

B. Development of coordinating functions - OCD

- 1. Expansion shown by fact that only 50 requests for information handled at this time last year. 300 of all types now.
- 2. CIA Reading Center now processing over 20,000 incoming items a month, not counting multiple copies, and over 3,500 outgoing items.

C. Development of Coordinating Functions - ORE

- 1. Has reached new levels of productivity in production of national intelligence in the form of weekly and daily summaries and special evaluations and summaries.
- 2. Has taken over responsibility for coordination and production of "basic intelligence":
 - a. JANIS
 - b. SID
- 3. Has also taken over State Department Map Branch.

~~D. Coordination for Atomic Energy Commission~~

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D. Coordination for Atomic Energy Commission

1. CIA now acts for AEC to see that all collection facilities are made available to it and that dissemination of atomic information is screened and controlled according to wishes of AEC.

E. Expansion of Operating Functions

1. Expansion of operational services of great interest to agencies for operational reasons.

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H. Miscellaneous Services

1. Reference Center. Designed to furnish a centralized reference service to CIA and the other departments. Reference Center will:
 - a. Maintain a Central Index of all foreign intelligence documents regardless of physical location.



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- c. Maintain a Foreign Industrial Register providing an index of foreign industrial potential.
 - d. Maintain a Biographical Intelligence Register affording an index of important foreign personalities.
 - e. Maintain a Graphic Material Division which will furnish an index of the location and type of graphic material of foreign intelligence interest to the government.
 - f. Maintain an Intelligence Documents Library which will be the depository of all standard reference books and foreign intelligence documents in file in CIA.
 - g. The filing and indexing of material and information handled by the Reference Center is based on the latest filing practices and machine operations.

VI. Conclusion

1. Within the last year, the Central Intelligence Agency has been confirmed in law with a most important relationship to the national security and has become an effective instrument in its sphere.
2. Trial and error has been a factor.
3. All progress has been with aid and advice of the departments; with continued advice and assistance is confident of making more progress towards perfecting a truly national intelligence.

END

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